

Message Text

CONFIDENTIAL

PAGE 01 JIDDA 06632 281602Z

53

ACTION NEA-10

INFO OCT-01 ISO-00 FEA-01 COM-02 ERDA-05 AID-05 CEA-01

CIAE-00 CIEP-01 DODE-00 EB-07 FPC-01 H-02 INR-07

INT-05 L-03 NSAE-00 NSC-05 OMB-01 PM-04 USIA-06

SAM-01 OES-03 SP-02 SS-15 STR-04 TRSE-00 PA-01 PRS-01

/094 W

----- 026991

P 281430Z SEP 75

FM AMEMBASSY JIDDA

TO SECSTATE WASHDC PRIORITY 2524

C O N F I D E N T I A L JIDDA 6632

E.O. 11652: GDS

TAGS: ECIN

SUBJECT: ROYAL COMMISSION ESTABLISHED TO ADMINISTER INFRA-
STRUCTURE AT JUBAYL AND YENBC

1. THE LONG-AWAITED AND OFT-DISCUSSED ROYAL COMMISSION BECAME
A REALITY ON SEPTEMBER 21 WHEN ROYAL DECREE NO. M/UT (JUST
RELEASED) WAS ISSUED.

2. THE COMMISSION WILL BE CHAIRED BY CROWN PRINCE AND FIRST
DEPUTY PRIME MINISTER, PRINCE FAHD WHO WILL NOMINATE SIX
PERSONS FOR THE BOARD OF DIRECTORS. THE COMMISSION WILL BE
AN AUTONOMOUS CORPORATE BODY, AND WILL BE RESPONSIBLE FOR ALL
OF THE INFRASTRUCTURE DEVELOPMENT AT THE HUGE INDUSTRIAL
ESTATES PLANNED FOR JUBAYL AND YENBO.

3. IT IS INTERESTING TO NOTE THAT THE COMMISSION IS VESTED
WITH THE SOLE CONTROLLING AUTHORITY OVER INFRASTRUCTURE AND
CAN DEVELOP AN INDEPENDENT BUDGET EFFECTIVE FOR MORE THAN A
ONE YEAR PERIOD. FUNDS WILL BE ALLOCATED YEARLY BY THE
COUNCIL OF MINISTERS, BUT THE COMMISSION WILL NOT REPEAT
NOT NEED TO COJPLY WITH THE USUAL PAYMENTS PROCEDURES
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 JIDDA 06632 281602Z

APPLICABLE TO SAG TRANSACTIONS. THE BOARD OF DIRECTORS

WILL NAME AN AUDITOR AND WILL SET UP SEPARATE ADMINISTRATIVE AND FINANCIAL REGULATIONS.

4. AS WE HAVE HEARD EARLIER, THE ROYAL COMMISSION IS AN EFFORT TO BREAK THROUGH MASSIVE GOVERNMENT RED TAPE AND PUSH AHEAD WITH THE ALL-IMPORTANT PROJECTS IN JUBAYL AND YENBO. NO DOUBT THIS WILL BE AN IMPROVEMENT IN PROJECT DEVELOPMENT, CUSTOMS CLEARANCE, AND ALL OF THE THOUSAND AND ONE ITEMS WHICH SERIOUSLY SLOW DEVELOPMENT IN SAUDI ARABIA. THE NEW PROCEDURES WILL ALSO REMOVE MUCH OF THE CONTROL WHICH THE MINISTRY OF FINANCE NOW EXERTS ON PROJECT DEVELOPMENT. THAT FREEDOM WILL BE A MIXED BLESSING, FOR ALTHOUGH FINANCE MAY INDEED HAVE SLOWED DOWN SOME PROJECTS, IT HAS ALSO DEVELOPED A REPUTATION FOR STRIVING FOR HONESTY AND MINIMAL GRAFT.

5. EMBASSY DOES NOT YET KNOW WHO WILL ACTUALLY WIN IN THE COP VERSUS PETROMIN BATTLE. ON THE FACE OF THE RESOLUTION THE COMMISSION WILL ONLY DEAL WITH INFRASTRUCTURE, THUS PETROMIN MAY STILL HAVE CONTROL OF THE ENORMOUS PETROCHEMICAL, REFINERY AND FERTILIZER PROJECTS WHICH THE SAUDIS ARE TRYING TO FINALIZE WITH VARIOUS MULTI-NATIONAL COMPANIES. IN FACT, COMPANY FEARS AS TO THE ADEQUACY OF INFRASTRUCTURE IN JUBAYL HAVE BEEN DELAYING SEVERAL AGREEMENTS, ACCORDING TO ONE EMBASSY SOURCE. THE NEXT TWO MONTHS WILL BE VERY IMPORTANT IN DETERMINING JUST HOW EFFECTIVE THE ROYAL COMMISSION WILL BE AND WILL TELL MORE ABOUT ITS LINES OF AUTHORITY.

AKINS

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: GOVERNMENT AGENCIES, BUSINESS FIRMS
Control Number: n/a
Copy: SINGLE
Draft Date: 28 SEP 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: buchant0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975JIDDA06632
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D750336-0562
From: JIDDA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t1975099/aaaaahhd.tel
Line Count: 91
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION NEA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: buchant0
Review Comment: n/a
Review Content Flags:
Review Date: 19 AUG 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <19 AUG 2003 by KelleyW0>; APPROVED <29 DEC 2003 by buchant0>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: ROYAL COMMISSION ESTABLISHED TO ADMINISTER INFRA- STRUCTURE AT JUBAYL AND YENBC
TAGS: ECIN, ROYAL COMMISSION, JUBAYL, YENBC
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006